

April, 2008

Vol. 11, Issue 2

Inside this issue:

News from the Director 1

HiFi Schedule Set for Spring 1

Patrick, Burnes Show Consumers New Rules of the Road 1

Commissioner's Corner 2

Are You Prepared for the Possibility of a Flood? 2

Know Your Rights When Using Your Credit or Debit Card 2

## Consumer Affairs Agencies:

Division of Banks

Division of Insurance

Division of Professional Licensure

Department of Telecommunications and Cable

Division of Standards

State Racing Commission

[www.mass.gov/consumer](http://www.mass.gov/consumer)

Massachusetts Office of Consumer Affairs & Business Regulation

# THE CONSUMER INSIDER

## News from the Director

The Patrick Administration and the Office of Consumer Affairs and Business Regulation are working hard to help homeowners and tenants in Massachusetts who are facing the threat of foreclosure.

We have responded to the complex challenges presented by the national rise in foreclosures with a series of comprehensive initiatives designed to preserve homeownership and stabilize neighborhoods.

Several important efforts are beginning to take shape now. First, we have developed a web site

[www.Mass.Gov/Foreclosure](http://www.Mass.Gov/Foreclosure) to connect

homeowners to local, state and national programs that can help.

Second, we awarded a total of \$2 million in grants to support 11 regional foreclosure education, foreclosure prevention efforts and first-time homebuyer counseling programs.

And, effective May 1st, homeowners will have 90 days to resolve outstanding mortgage payments before a lender can begin foreclosure proceedings. The Division of Banks will also launch a statewide foreclosure database to track foreclosure activity in May.



## HiFi Schedule

The Office of Consumer Affairs and Business Regulation's innovative High School Financial Literacy Program, known as "HiFi," returns this spring with training seminars scheduled as follows:

**Tuesday, April 29**

Framingham State College

**Tuesday, May 6**

Springfield Technical Community College

**Monday, May 12**

The Federal Reserve Bank of Boston

**Tuesday, May 20**

Cape Cod Community College

**Wednesday, June 11**

Massasoit Community College

If you are interested in attending one of our training sessions, please register online at [www.mass.gov/consumer/hifi](http://www.mass.gov/consumer/hifi).

## Patrick, Burnes Show Consumers New Rules of The Road

Governor Deval Patrick and Insurance Commissioner Nonnie S. Burnes met with consumers at South Station on March 26, 2008 to demonstrate the state's new sample premium web site and urged them to shop for the best deals under managed competition.

"Starting April 1st, consumers will see how managed competition translates into better rates and better choices for responsible drivers everywhere in Massachusetts," said Governor Patrick. "Consumers who shop will find that there are enormous opportunities for savings and choice out there. The state has resources and tools available to help consumers navigate the changes so that they can make managed competition work for them."

With Massachusetts shifting away from an overregulated system of state-set rates, the Division of Insurance unveiled a sample premium web site [www.Mass.Gov/AutoRates](http://www.Mass.Gov/AutoRates) in February to show consumers the variety of competitive prices and products available in Massachusetts for the first time in 30 years. By answering a few simple questions, consumers can generate a list of sample premiums being offered by each of the state's 19 insurers. The site instructs consumers to contact an agent or company to obtain an actual rate quote. By clicking on the site's "find an agent" feature, consumers can easily connect with insurance professionals in their area.

"When consumers use our site, they are struck by the huge variations in prices being offered by different companies and it really motivates them to get serious

Continued on Page 2



Photo by Mike Adaskaveg/Boston Herald

Gov. Patrick, Comm. Burnes and Rep. Mariano demonstrate how to use Mass.Gov/AutoRates at South Station.

## Commissioner's Corner

*The fifth in a series introducing readers to OCA Commissioners*



Chairman Walter Sullivan was appointed by Governor Patrick in November of 2007 to lead the State Racing Commission (SRC). As Chairman of the SRC, Mr. Sullivan is responsible for supervising the overall management of the Racing Commission on a day-to-day basis. The SRC regulates one Thoroughbred track, Suffolk Downs; one Harness track, Plainridge Race-course; and two Greyhound tracks, Wonderland Park and Raynham/Taunton Greyhound Park. The Commission maintains fair and honest pari-mutuel racing by enforcing rules and regulations, proposing legislation and developing policies. It also ensures the legitimate performance and humane treatment of all racing animals.

Mr. Sullivan previously served as chairman of the Massachusetts Commission Against Discrimination (MCAD) and chairman of the Alcoholic Beverages Control Commission (ABCC). Both positions provided the Chairman with an extensive management and regulatory experience background.

Prior to his work at the MCAD and ABCC, Mr. Sullivan served as chief of the Attorney General's Asset Forfeiture Unit and as an assistant district attorney for Plymouth and Middlesex counties. He holds a law degree from Boston College Law School and a bachelor's degree from Boston College.

## Know Your Rights When Using Your Credit or Debit Card

### Extra Charge for Using a Credit Card

When you make a purchase using your credit or debit card a merchant will occasionally try to add a surcharge to the price. If this happens, let them know that according to Massachusetts law they are NOT allowed to do this (MGL c. 140D, sec. 28A). **However, you should know that the seller may offer a discount for using cash.**

### Request for Personal Information

Merchants may ask you to provide a phone number, home address or other personal information on credit card sales slips. American Express, MasterCard and VISA prohibit requiring it as a condition of sale.

### Minimum Charge Requirements

VISA's and MasterCard's regulations *prohibit* minimum charge amounts.

### How to File a Complaint

When merchants violate the policies described here, report them to Visa, MasterCard and American Express. Address your complaint to:

VISA USA  
Consumer Relations  
P.O. Box 8999  
San Francisco, CA 94128

MasterCard International  
Public Relations  
2000 Purchase Street  
Purchase, NY 10577

American Express  
Customer Service  
P.O. Box 297812  
Ft. Lauderdale, FL 33329-7812

## Patrick, Burnes Show Consumers New Rules of The Road

*Continued from Page 1*

about calling their agent and starting to comparison shop," said Commissioner Burnes. "The savings for good drivers has the potential to be significant so it's worth it for all consumers to do a little legwork."

The Division of Insurance estimates that responsible drivers will save at least 10% on their 2008 auto insurance premiums. They may see their rates drop even more if they shop around. For more information on the new system and to learn about additional ways to save under managed competition, consumers should visit [www.mass.gov/doi](http://www.mass.gov/doi).

## Are You Prepared For The Possibility of a Flood?

The start of spring coincided with National Flood Safety Awareness Week (March 17-21) this year. In recognition of both events, Consumer Affairs and the Division of Insurance remind consumers that now is a good time to review your flood policy.

According to the National Flood Insurance Program (NFIP), floods occur in all 50 states – anytime, anywhere and without warning. The damage from a flood is not covered under a standard homeowners policy. An inch of water can cost approximately \$7,800 if the homeowner is not insured. It is important to assess your flood risk and decide if you should invest in flood insurance.

Flood insurance is a special policy that is federally backed by the NFIP and available for homeowners, renters and businesses. A standard flood insurance policy pays for direct physical damage to insured property up to the replacement cost or actual cash value of actual damages or the policy limit of liability, whichever is less. A flood insurance policy normally will not go into effect until 30 days after you purchase the policy.

To learn more about your flood risk and flood insurance, visit [www.floodsmart.gov](http://www.floodsmart.gov), the official site of the National Flood Insurance Program.

**Consumer Hotline:**  
**888-283-3757**  
**617-973-8787**